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### COMMONWEALTH OF PUERTO RICO PUBLIC SERVICE REGULATORY BOARD PUERTO RICO ENERGY BUREAU

IN RE: REVIEW OF PUERTO RICO ELECTRIC POWER AUTHORITY'S COMPREHENSIVE VEGETATION MANAGEMENT PROGRAM

### **CASE NO. NEPR-MI-2019-0005**

SUBJECT: Submission in Compliance with Bench Orders issued during Technical Conference.

# MOTION IN COMPLIANCE WITH BENCH ORDERS ISSUED DURING VIRTUAL TECHNICAL CONFERENCE OF AUGUST 13, 2021

### TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC ("ManagementCo")<sup>1</sup>, and LUMA Energy ServCo, LLC ("ServCo")<sup>2</sup>, (jointly referred to as "LUMA"), and respectfully submit and request the following:

- On July 16, 2021, this Energy Bureau issued a Resolution and Order (the "July 16 Order") establishing a procedural calendar for the referenced proceeding to consider LUMA's proposed Vegetation Management Plan prepared pursuant to Section 4.2(h) of the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement dated as of June 22, 2020<sup>3</sup>, and in compliance with this Energy Bureau's Resolution and Order of December 31, 2020 issued in this proceeding.
- 2. The July 16 Order outlined a procedural calendar including a Virtual Technical Conference to discuss LUMA's Vegetation Management Plan to take place on August 13, 2021. It also

<sup>&</sup>lt;sup>1</sup> Register No. 439372.

<sup>&</sup>lt;sup>2</sup> Register No. 439373.

<sup>&</sup>lt;sup>3</sup> Executed by and among LUMA, the Puerto Rico Electric Power Authority, and the Puerto Rico Public Private Partnerships Authority.

- directed that LUMA would have until August 18, 2021 to file additional information requested by the Energy Bureau during the Technical Conference.
- 3. During the Virtual Technical Conference held on August 13, 2021, Mr. Brent Bolzenius, Director, Vegetation Management, and Mr. Mario Hurtado, Chief Regulatory Officer, appeared on behalf of LUMA. Mr. Bolzenius offered a presentation on LUMA's Vegetation Management Plan and answered questions from the Energy Bureau. Mr. Hurtado also answered questions posed by the Energy Bureau.
- 4. During the Technical Conference, the Energy Bureau issued a bench order requiring a sample plan and timeline with estimates on budget allocations, on the implementation of LUMA's Vegetation Management Plan and showing an example of the cycles of work to be performed.
- 5. The Energy Bureau also inquired about staffing resources available to perform vegetation management activities.
- 6. In compliance with the bench orders issued on August 13, 2021, LUMA hereby submits Exhibit 1.
- 7. Exhibit 1 includes a plan for implementation of the Vegetation Management Plan in Fiscal Year 2022, *id.*, slide 2; an estimate on budget expenditures for Fiscal years 2022 through 2025 per activity, *id.* slide 3; additional information on staffing projections, *id.*, Slide 4; and flow charts outlining the typical cadence of vegetation management work, post reclamation, *id.*, slide 5.
- 8. It is respectfully submitted that LUMA's vegetation management team worked diligently within the timeframe allotted to provide the Energy Bureau more detail on implementation of the Vegetation Management Plan. Exhibit 1 was prepared with the information available at this time and will be subject to revisions as efforts continue throughout the next months and

years as outlined in the Vegetation Management Plan. LUMA will report on spending regarding vegetation management as part of the budgetary reporting requirements set by the Bureau.

WHEREFORE, LUMA respectfully requests that the Energy Bureau take notice of the aforementioned, accept Exhibit 1 to this Motion, and deem that LUMA complied with the bench orders issued by the Energy Bureau during the Virtual Technical Conference held on August 13, 2021.

### RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 18th day of August 2021.

I hereby certify that I filed this Motion using the electronic filing system of this Energy Bureau and that I will send an electronic copy of this Motion to the attorneys for PREPA, Joannely Marrero-Cruz, jmarrero@diazvaz.law; and Katiuska Bolaños-Lugo, kbolanos@diazvaz.law.



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/s/ Margarita Mercado Echegaray Margarita Mercado Echegaray RUA NÚM. 16,266 margarita.mercado@us.dlapiper.com

### Exhibit 1



Exhibit 1

August 18, 2021



## Vegetation Management (VM) Improvement Plan (FY 2022)

Activity	Q1	Q2	Q3	Q4	Comments
Reactive Maintenance					Will absorb majority of VM Line Resources through September 2021
Corrective Maintenance					
Rapid Reactive Response					Triggered by ongoing High-Level Assessments (Ground Patrols and Aerial Inspections). Will continue past FY 2022, paced by the HLA Assessments
ROW Reclamation					80 percent effective on the first pass (will require 2 passes to be declared complete for each line / circuit)
Preventive Maintenance					Though some activity during Q1 2022, will not start in earnest until Q3 2022



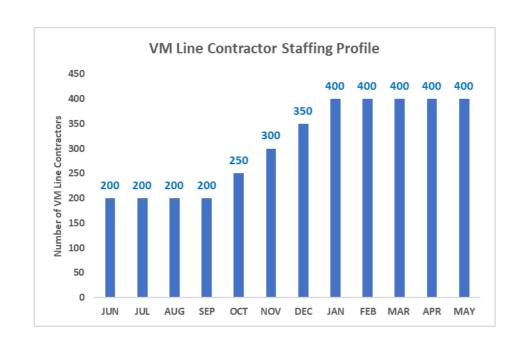
## **Current Operating Expenditures Budget Estimate (FY 2022-2025)**

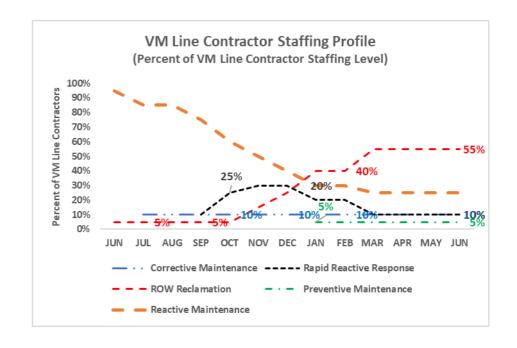
Activity	2022	2023	2024	2025
Reactive Maintenance	\$20M	\$10M	\$8M	\$6M
Corrective Maintenance	\$5M	\$5M	\$3M	\$3M
Rapid Reactive Response	\$6M	\$3M	\$3M	\$0M
ROW Reclamation	\$17M	\$40M	\$41M	\$41M
Preventive Maintenance	\$2M	\$2M	\$5M	\$10M
TOTAL	\$50M	\$60M	\$60M	\$60M

• From year-to-year the budgets may shift across the activities based on the actual conditions found during inspections / experienced during major events.



### **Current VM Line Contractor Staffing Projection**





- Current staffing level of 200 will double to 400 with the execution of new contracts (projected to be in place by end of Q2FY2022)
- The Rapid Reactive Response activity will be triggered by the ongoing High-Level Assessments
- With the execution of the new contracts, resources will be applied to ROW Reclamation



## **Typical Vegetation Maintenance Cadence (Post-Reclamation)**

### **Distribution Feeder and Laterals**



### Transmission Line (Substation to Substation)



